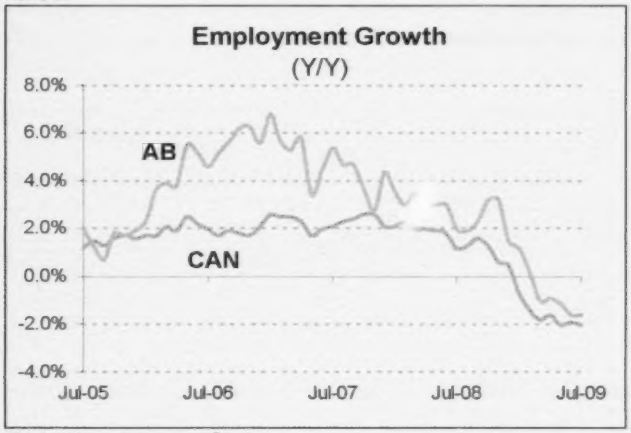
Labour Force Survey

Employment falls for the second month…

The Alberta economy saw a modest employment decline of 3,700 (seasonally adjusted) jobs in July, a 0.2% decrease compared to June. In the first seven months of 2009, employment was down 0.7% compared to the same period last year. Job losses, combined with a 0.3% increase in the labour force, increased Alberta's unemployment rate to 7.2%, from 6.8% in June. The average hourly wage rate edged down 1.6% from June, to $24.31.

Nationally, employment fell by 44,500, or 0.3%, from June. However, Canada's unemployment rate held steady at 8.6%, due to a 0.3% drop in the labour force.



Existing Home Sales

Edmonton sets a new July sales record…

Alberta's home resale market continued to improve in July, as both Edmonton and Calgary saw year-over-year increases in sales of existing homes. In Edmonton, sales were down 10.7% compared to June, but increased by 25.4% from July 2008, setting a new record for the month at 2,277 units. In Calgary, single-family home sales fell 13.7% from June, but were up 20.7% year-over-year.

Compared to July 2008, the average price of a single-family dwelling decreased in both Calgary (-4.3%) and Edmonton (-1.7%), to $436,782 and $372,741, respectively.

↓	**Canadian Dollar (US¢/CS)**	
	August 7, 2009	92.28
	July 31, 2009	92.68
	2009-10 YTD	87.00
↑	**WTI Oil US$/bbl**	
	August 6, 2009	$ 71.94
	July 31, 2009	$ 66.92
	2009-10 YTD	$ 61.44
↑	**Nymex Natural Gas CS/MMBtu** *	
	Near-month Contract	
	August 7, 2009	$ 4.03
	July 31, 2009	$ 3.95

* Estimate based on Nymex Futures Market Price

Building Permits

New building permit outlook is mixed…

After soaring upwards in May with a nearly 50 percent monthly gain, the value of new building permits in Alberta fell by 24.0% in June from May, to approximately $843 million (seasonally adjusted). The decline was caused by a 38.6% drop in non-residential permits; in contrast, the value of residential permits increased by 10.9%.

New building permits in Canada saw a slight increase of 1.0% in June from May, but were down 17.5% (seasonally adjusted) from June 2008.

Rig Drilling Activity

Drilling activity remains tepid in July…

Drilling activity in Alberta continued to pick up from seasonal lows in July, as the average number of rigs drilling increased by 42.3% from June. However, on a year-over-year basis, July's average number of rigs drilling was down 66.2%. Alberta's rig utilization rate was 14.1% in July, compared to 37.7% in July 2008.

U.S. Economy

Employment report defies expectations…

Job losses in the U.S. economy were much lower than expected in July, another sign that the recession may be nearing an end. Employment shrank by 247,000, following a 443,000 drop in June. Surprisingly, the unemployment rate edged down to 9.4%, from 9.5% in June.

Alberta

CURRENT ECONOMIC INDICATORS

August 7, 2009

Overall Economy		2007	2008	2009YTD*	Feb	Mar	Apr	May	Jun	Jul
Real GDP (in 2002 $billions)		187.5	187.0	--	--	--	--	--	--	--
% change		3.1	-0.2	--	--	--	--	--	--	--
Nominal GDP ($ billions)		258.9	291.7	--	--	--	--	--	--	--
% change		8.1	12.6	--	--	--	--	--	--	--
Population[1] (000's) (level)		3,511	3,585	3,654	--	--	3,654	--	--	--
% change		2.6	2.1	2.6	--	--	2.7	--	--	--
Net Interprovincial Migraton[1] (level)		33,809	10,010	18,269	--	--	7,144	--	--	--
Net International Migration[1] (level)		16,136	19,283	13,179	--	--	4,175	--	--	--
Net Non-permanent Residents[1] (level)		13,539	17,890	17,557	--	--	4,626	--	--	--
Labour Market										
Employment (000's)	NEW!	1,959	2,013	1,991	2,002	1,987	1,993	1,994	1,990	1,986
% change		4.7	2.8	-0.7	0.2	-1.0	-0.9	-1.1	-1.6	-1.6
Unemployment Rate (%)	NEW!	3.5	3.6	6.0	5.4	5.8	6.0	6.6	6.8	7.2
Average Hourly Wage Rate		6.0	5.7	4.9	4.5	3.6	4.3	5.0	6.1	4.6
Average Weekly Earnings[2]		5.8	6.0	4.7	4.5	4.8	2.1	5.5	--	--
Labour Income[3]		11.3	8.4	4.0	3.9	3.0	--	--	--	--
Price Indices										
Consumer Price Index		5.0	3.1	0.2	2.1	0.9	-0.7	-0.7	-1.6	--
Excluding food and energy		4.9	1.9	1.6	2.0	1.4	1.1	1.7	1.6	--
Non-Res. Const. Cost Index[4] (quarterly)		17.3	13.2	-1.0	--	-1.0(Q1)	--	--	--	--
Farm Product Price Index		14.3	11.1	-6.6	-5.9	-4.7	-6.1	-12.0	--	--
Crops		41.4	26.3	-23.8	-22.0	-23.0	-25.4	-29.3	--	--
Livestock		0.7	2.1	10.4	12.4	17.5	12.3	-2.5	--	--
Household Sector										
Housing Starts (SAAR, 000's)		48.1	29.0	14.4	12.6	11.9	13.5	13.5	19.3	--
% change		-2.1	-39.7	-58.0	-62.4	-77.0	-55.6	-57.8	-15.7	--
New Housing Price Index		22.5	0.7	-9.8	-9.6	-10.5	-10.7	-9.8	--	--
Edmonton		32.1	1.0	-11.8	-12.2	-12.3	-12.5	-11.7	--	--
Calgary		16.2	0.6	-7.8	-7.1	-8.7	-8.8	-7.9	--	--
MLS Average Resale Prices		24.3	-1.4	-7.8	-9.2	-10.4	-6.8	-5.8	-4.6	--
Edmonton		34.3	-2.0	-6.5	-8.7	-10.1	-7.4	-4.2	-3.8	--
Calgary		18.7	-2.9	-9.7	-10.8	-11.3	-10.1	-8.7	-6.3	--
Retail Sales		9.3	-0.1	-10.9	-13.5	-13.8	-10.1	-10.5	--	--
New Motor Vehicle Sales		3.3	-7.3	-28.3	-35.4	-31.9	-24.4	-27.5	--	--
Business Sector										
Public and Private Investment[5]		9.1	3.6	-17.2	--	--	--	--	--	--
Mining and oil and gas[5]		0.3	-1.4	-28.2	--	--	--	--	--	--
Rigs Drilling	NEW!	-35.2	-2.1	-48.2	-43.9	-60.8	-42.0	-39.2	-56.3	-66.2
Goods Exports (customs based)		5.3	33.2	-36.3	-30.2	-36.1	-39.8	-46.0	--	--
Energy		4.4	40.9	-42.8	-35.1	-44.0	-47.2	-51.7	--	--
Agriculture		9.8	28.6	-1.5	3.6	-3.9	6.9	-17.6	--	--
Total Farm Cash Receipts (quarterly)		11.9	15.2	4.5	--	4.5(Q1)	--	--	--	--
Manufacturing Shipments		1.9	6.9	-19.3	-15.1	-14.2	-23.6	-28.2	--	--
Wholesale Trade		5.0	10.9	-9.0	-6.3	-4.4	-12.2	-22.0	--	--
Building Permits		13.4	-16.5	-38.9	-66.9	-29.9	-40.9	-18.5	-25.0	--
Residential	NEW!	10.7	-31.5	-48.5	-72.4	-38.9	-44.2	-49.1	-17.5	--
Non-residential		17.1	3.7	-29.7	-61.8	-20.7	-37.3	13.0	-30.9	--

Government of Alberta
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* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30). The April population estimate is also the 2009 year-to-date value.

[2] The average weekly earnings series was extensively revised on March 31, 2009 and is no longer comparable with numbers in previous Bulletins

[3] Total income earning in Alberta including wages and salaries, and supplementary income.

[4] Average of Calgary and Edmonton.

[5] 2009 total based on revised investment intentions, 2008 preliminary actuals, and 2007 actuals; 2009 mining and oil and gas based on initial investment intentions.

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association) and Rigs Drilling (Canadian Association of Oilwell Drilling Contractors).

Alberta

CURRENT ECONOMIC INDICATORS, BY PROVINCE

		Canada	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
Conference Board Forecast (Summer 2009)												
Real GDP Growth												
2008 (actuals, Statistics Canada)	NEW!	***0.5%***	-0.1%	0.9%	2.0%	-0.0%	1.0%	-0.4%	2.4%	4.4%	**-0.2%**	-0.3%
2009		***-2.1%***	-3.4%	0.8%	0.3%	0.9%	-0.7%	-3.0%	0.8%	-2.7%	**-2.7%**	-2.5%
2010		***2.8%***	0.0%	2.2%	1.2%	2.8%	1.8%	3.1%	1.8%	3.5%	**3.3%**	3.4%
Population (As of April 1, 2009)												
Population		**33,592,686**	508,726	140,638	939,475	748,866	7,799,372	13,014,018	1,217,163	1,027,092	**3,653,840**	4,435,344
Annual Growth Rate[a]		***1.23%***	0.20%	1.19%	0.18%	0.26%	0.89%	1.02%	1.16%	1.49%	**2.71%**	1.70%
Net Interprovincial Migration												
2008 Census Year (July 1, 2007 to June 30, 2008)			1,299	42	-117	-325	-12,399	-16,522	-503	8,067	**10,010**	11,458
1st Quarter (January 1, 2009 to March 31, 2009)			98	-66	-357	61	-2,016	-5,015	-181	545	**7,144**	-16
Employment												
Level Change (000s)[b]		**-347.1**	-8.2	-0.4	-5.7	-0.5	-46.7	-185.5	-1.4	11.4	**-32.2**	-78.0
Percent Change[b]	NEW!	***-2.0%***	-3.4%	-0.5%	-1.2%	-0.1%	-1.2%	-2.7%	-0.2%	2.2%	**-1.6%**	-3.3%
Unemployment Rate, 2009 avg (SA)		***8.1***	15.2	12.2	9.0	9.0	8.4	8.9	4.9	4.7	**6.0**	7.3
Participation Rate, 2009 avg (SA)		***67.4***	59.1	67.7	64.5	64.8	65.4	67.4	69.3	70.4	**74.6**	65.9
Average Weekly Earnings												
May 2009		**820.38**	800.09	688.23	727.92	749.60	754.09	846.69	766.36	806.66	**948.62**	799.65
Y/Y Percent Increase[c]		***1.6%***	4.9%	3.9%	2.5%	3.5%	-0.8%	1.2%	1.9%	3.6%	**5.5%**	1.4%
2009 Wage Settlements											**4.5%**	
CPI Inflation												
June Annual		**-0.3%**	0.3%	-0.8%	-1.1%	0.0%	0.2%	0.0%	0.6%	1.0%	**-1.6%**	-0.7%
Excluding Shelter		**-0.1%**	0.6%	1.1%	-0.4%	0.2%	0.2%	-0.3%	0.3%	0.2%	**0.4%**	0.0%
Housing Starts (000s)												
SAAR June 2009		**140.7**	3.0	1.0	3.1	3.5	40.6	45.6	4.8	5.9	**19.3**	13.8
Retail Sales												
Percent Change[d]		**-6.1%**	1.7%	-2.5%	-3.9%	-1.8%	-5.4%	-4.8%	-4.8%	-5.3%	**-10.5%**	-8.6%
2009 YTD Retail Sales Growth		**-6.2%**	0.1%	-2.0%	-3.7%	-2.1%	-4.0%	-5.5%	-4.5%	-3.9%	**-10.9%**	-9.6%
Manufacturing Shipments												
Percent Change[d]		**-27.0%**	-57.5%	20.3%	-16.5%	-35.5%	-24.3%	-29.2%	-8.8%	-9.6%	**-28.2%**	-26.3%

a. Over the past 12 months
b. July 2009 Y/Y change, unadjusted for seasonal effects
c. Updated to May 2009
d. May 2009 Y/Y change, unadjusted for seasonal effects
SA-Seasonally Adjusted, SAAR-Seasonally Adjusted Annual Rate
Source: Statistics Canada, Canada Mortgage and Housing Corporation and Conference Board of Canada

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